

DIVISION 3.5. REGISTRATION AND TRANSFER OF VESSELS

(Added Ch. 1428, Stats. 1970. Effective Nov. 23, 1970.)

CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

Definitions

9840. As used in this division, unless the context clearly requires a different meaning:

(a) "Vessel" includes every description of watercraft used or capable of being used as a means of transportation on water, except the following:

(1) A seaplane on the water.

(2) A watercraft specifically designed to operate on a permanently fixed course, the movement of which is restricted to or guided on such permanently fixed course by means of a mechanical device on a fixed track or arm to which the watercraft is attached or by which the watercraft is controlled, or by means of a mechanical device attached to the watercraft itself.

(3) A floating structure which is designed and built to be used as a stationary waterborne residential dwelling, which (A) does not have and is not designed to have a mode of power of its own, (B) is dependent for utilities upon a continuous utility linkage to a source originating on shore, and (C) has a permanent, continuous hookup to a shoreside sewage system.

(b) "Owner" is a person having all the incidents of ownership, including the legal title, of a vessel whether or not such person lends, rents, or pledges such vessel; the person entitled to the possession of a vessel as the purchaser under a conditional sale contract; or the mortgagor of a vessel. "Owner" does not include a person holding legal title to a vessel under a conditional sales contract, the mortgagee of a vessel, or the renter or lessor of a vessel to the state or to any county, city, district, or political subdivision of the state under a lease, lease-sale, or rental-purchase agreement which grants possession of the vessel to the lessee for a period of 30 consecutive days or more.

(c) "Legal owner" is a person holding the legal title to a vessel under a conditional sale contract, the mortgagee of a vessel, or the renter or lessor of a vessel to the state, or to any county, city, district or political subdivision of the state, under a lease, lease-sale, or rental-purchase agreement which grants possession of the vessel to the lessee for a period of 30 consecutive days or more.

(d) "Registered owner" is the person registered by the department as the owner of the vessel.

(e) "Waters of this state" means any waters within the territorial limits of this state.

(f) "State of principal use" means the state on which waters a vessel is used or intended to be used most during a calendar year.

(g) "Undocumented vessel" means any vessel which is not required to have and does not have a valid marine document issued by the Bureau of Customs of the United States or any federal agency successor thereto.

(h) "Use" means operate, navigate, or employ.

Amended Ch. 411, Stats. 1984. Effective January 1, 1985.

Inspection of Vessels

9845. The director, deputy director, registrar, deputy registrar, investigators of the department, and peace officers, as defined in Chapter 4.5 (commencing with Section 830) of the Penal Code, may inspect the hull identification number, certificate of number, and certificate of ownership of any vessel, as defined in Section 9840, when transported on a highway, or in any public garage, repair shop, public or private marina, dry storage facility,

new or used vessel sales lot or boat yard, or other similar establishment for the purpose of investigating the ownership and registration of vessels, locating stolen vessels, and for inspection of wrecked, dismantled, or abandoned vessels. The authority to inspect pursuant to this section does not extend to any enclosed living area aboard a vessel.

Added Ch. 298, Stats. 1987. Effective January 1, 1988.

CHAPTER 2. REGISTRATION

(Added Ch. 1428, Stats. 1970. Effective November 23, 1970.)

Numbering of Undocumented Vessels

9850. Every undocumented vessel using the waters or on the waters of this state shall be currently numbered. No person shall operate nor shall any county, city, or political subdivision give permission for the operation of any undocumented vessel on those waters unless the undocumented vessel is numbered in accordance with this chapter, or in accordance with applicable federal law, or in accordance with a federally approved numbering system of another state, and unless (1) the certificate of number issued to such undocumented vessel is in full force and effect, and (2) the identifying number set forth in the certificate of number is displayed on each side of the bow of the undocumented vessel for which the identifying number was issued.

Amended Ch. 298, Stats. 1987. Effective January 1, 1988.

Registration of Public Undocumented Vessels

9851. The department may adopt rules and regulations for the registration of undocumented vessels belonging to the state, local public agencies, or to the United States without payment of fees specified in this code, except fees for duplicate certificates of ownership, duplicate certificates of number, or substitute current year registration stickers. Any vessel owned by the Department of Boating and Waterways is exempt from any fees specified in this division.

Amended Ch. 951, Stats. 1990. Effective January 1, 1991. Operative July 1, 1991.

Proof of Ownership

9852. The department shall promulgate rules and regulations setting forth requirements relative to establishing proof of ownership to be submitted by the owner at the time of filing initial application for a certificate of number and a certificate of ownership. The issuance of a certificate of ownership or certificate of number under this chapter shall not in any way be construed that the department is warranting or guaranteeing the title of the vessel as it appears on such certificates.

Amended Ch. 759, Stats. 1973. Effective January 1, 1974.

Coownership

9852.5. Ownership of an undocumented vessel subject to registration may be held by two or more coowners as follows:

(a) A vessel may be registered in the names of two or more persons as coowners in the alternative by the use of the word "or." A vessel so registered in the alternative shall be deemed to be held in joint tenancy. Each coowner shall be deemed to have granted to the other coowners the absolute right to dispose of the title and interest in the vessel. Upon the death of a coowner the interest of the decedent shall pass to the survivor as though title or interest in the vessel was held in joint tenancy unless a contrary intention is set forth in writing upon the application for registration.

(b) A vessel may be registered in the names of two or more persons as coowners in the alternative by the use of the word "or" and if declared in

writing upon the application for registration by the applicants to be community property, or tenancy in common, shall grant to each coowner the absolute power to transfer the title or interest of the other coowners only during the lifetime of such coowners.

(c) A vessel may be registered in the names of two or more persons as coowners in the conjunctive by the use of the word “and” and shall thereafter require the signature of each coowner or his personal representative to transfer title to the vessel, except where title to the vessel is set forth in joint tenancy, the signature of each coowner or his or her personal representative shall be required only during the lifetime of the coowners, and upon death of a coowner title shall pass to the surviving coowner.

(d) The department may adopt suitable abbreviations to appear upon the certificate of ownership and certificate of number to designate the manner in which title to the vessel is held if set forth by the coowners upon the application for registration.

Added Ch. 982, Stats. 1985. Effective January 1, 1986.

Transfer of Vessels on Death

9852.7. (a) Ownership of an undocumented vessel subject to registration may be held in beneficiary form that includes a direction to transfer ownership of the vessel to a designated beneficiary on death of the owner if both of the following requirements are satisfied:

(1) Only one owner is designated.

(2) Only one TOD beneficiary is designated.

(b) Ownership registration and title issued in beneficiary form shall include, after the name of the owner, the words “transfer on death to” or the abbreviation “TOD” followed by the name of the beneficiary.

(c) During the lifetime of the owner, the signature or consent of the beneficiary is not required for any transaction relating to the vessel for which a certificate of ownership in beneficiary form has been issued.

(d) The fee for registering ownership of a vessel in a beneficiary form is ten dollars (\$10).

Added Ch. 1055, Stats. 1991. Effective January 1, 1993.

Application for Number: Fees

9853. (a) The owner of each vessel requiring numbering by this state shall file an initial application for a number with the department or with an agent authorized by the department on forms approved by the department. Such forms shall be prepared in cooperation with the Department of Boating and Waterways. The application shall contain the true name and address of the owner and of the legal owner, if any, and the hull identification number of the vessel as may be required by the department. The application shall be signed by the owner of the vessel and shall be accompanied by a fee of nine dollars (\$9), in addition to the fees required under subdivision (b), except that an owner of a vessel registered outside this state who is submitting an application for registration in this state shall pay a fee of thirty-seven dollars (\$37), in addition to the fees required under subdivision (b).

(b) (1) Whenever the fee for original registration of a vessel becomes due between January 1 and December 31 of any even-numbered year, the application shall be accompanied by a fee of five dollars (\$5), in addition to any other fees that are then due and payable.

(2) Whenever the fee for original registration of a vessel becomes due, or is filed with the department, between December 1 and December 31 of any odd-numbered year, the application shall be accompanied by a fee of ten dollars (\$10) in addition to any other fees that are then due and payable.

Amended Sec. 3, Ch. 257, Stats. 1997. Effective August 11, 1997.

Issuance of Certificate of Ownership and Certificate of Number

9853.1. Upon receipt of the application in approved form, the department shall issue a certificate of ownership to the legal owner and a certificate of number to the owner, or both to the owner if there is no legal owner, stating the number issued to the vessel and the name and address of the owner.

Added Ch. 759, Stats. 1973. Effective January 1, 1974.

Display of Number

9853.2. The owner shall paint on or attach to each side of the forward half of the vessel the identification number in such manner as may be prescribed by rules and regulations of the department in order that it may be clearly visible. Any such rules and regulations shall be developed in cooperation with the Department of Boating and Waterways. The number shall be maintained in a legible condition. The certificate of number shall be pocket size and shall be available at all times for inspection on the vessel for which issued, whenever the vessel is in use, except as to those vessels subject to Section 9853.3.

Amended Ch. 144, Stats. 1984. Effective January 1, 1985.

Retention of Certificate of Number for Leased or Rented Vessels

9853.3. The certificate of number for vessels less than 26 feet in length and leased or rented to another for the latter's noncommercial use of less than 24 hours may be retained on shore by the vessel's owner or his representative at the place from which the vessel departs or returns to the possession of the owner or his representative. A copy of the lease or rental agreement signed by the owner or his authorized representative and by the person leasing or renting the vessel shall be carried aboard the vessel at all times during use.

Added Ch. 759, Stats. 1973. Effective January 1, 1974.

Stickers, Tabs or Other Devices

9853.4. (a) The department may issue one or more stickers, tabs, or other suitable devices to identify vessels as being currently registered. The size, shape, and color of the sticker, tab, or other device and the positioning of the sticker, tab, or other device on the vessel shall be as determined by the department after consultation with the Department of Boating and Waterways, such consultation to consider the responsibilities and duties of the Department of Boating and Waterways as prescribed in the Harbors and Navigation Code.

(b) Whenever the department issues a sticker, tab, or other device pursuant to subdivision (a), the sticker, tab, or device shall only be displayed on the vessel for which it was issued.

Amended Ch. 298, Stats. 1987. Effective January 1, 1988.

Vessels of Historic Value

9853.5. Upon request, the department shall issue for any power-driven pleasure craft which is constructed of wood and which was constructed prior to December 31, 1942, a special plaque which identifies the craft as a vessel of historical interest. The provisions of this section shall apply to documented as well as undocumented vessels. The size, shape, and content of such plaque and its positioning on the vessel shall be determined by the department after consultation with the Department of Boating and Waterways; provided, that such plaque shall be of a durable material and shall be no smaller than six inches in height and six inches in width. A reasonable fee, as determined by the department, sufficient to support the administration of such program, shall be charged for issuance of the plaque. The plaque shall be valid for the

life of the vessel.

Added Ch. 577, Stats. 1980. Effective January 1, 1981.

Federal or Out-of-State Registration

9854. The owner of any vessel already covered by a number in full force and effect which has been issued to it pursuant to then operative federal law or a federally approved numbering system of another state shall make application within 30 days after the 90-day reciprocity period provided for in Section 9873. Such application shall be in a manner and pursuant to the procedure required for the issuance of a number under Section 9853.

Amended Ch. 618, Stats. 1972. Effective March 7, 1973.

Change of Ownership: Fees

9855. If the ownership of an undocumented vessel changes, the existing certificate of ownership and a new application form accompanied by a fee of fifteen dollars (\$15) shall be filed with the department and a new certificate of ownership and a new certificate of number shall be issued in the same manner as provided for in the initial issuance of number and the number shall be reassigned to the new owner.

Amended Ch. 951, Stats. 1990. Effective July 1, 1991.

Transfer to Dealer

9856. (a) It is not required that the department issue, or that an application be made for a new certificate of ownership or a new certificate of number, or that the fee prescribed in Section 9855 be paid on transfer of an undocumented vessel to a dealer in the course of his business as is otherwise provided in this division, if both of the following conditions are satisfied:

(1) The vessel is held and operated by the dealer only for the purpose of resale in the course of his business.

(2) The dealer has been issued a sales permit by the Board of Equalization covering sale of such property.

(b) The certificate of ownership bearing the endorsement of the transferor to the dealer of a vessel registered pursuant to this section and the certificate of number thereof shall be retained by the dealer until a transfer of the vessel by him. During that time the certificates shall be subject to inspection by the department or other authorized agency. Upon transfer of the vessel by the dealer the certificate of ownership shall be endorsed by the dealer and transfer further accomplished as otherwise provided in this division.

Amended Ch. 411, Stats. 1984. Effective January 1, 1985.

Conformity With Federal System

9857. If an agency of the United States government shall have in force an overall system of identification numbering for undocumented vessels within the United States, the numbering system employed pursuant to this chapter shall be in conformity therewith.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Issuance of Certificates: Department or Agent

9858. The department may issue any certificate of ownership and certificate of number or temporary certificate of number directly or the department may authorize any person to act as agent for the issuance of a certificate of number or temporary certificate of number. If a person accepts such authorization, he may be assigned a block of numbers which upon issuance, in conformity with this chapter and with any rules and regulations of the department, shall be valid as if issued directly by the department. Registration of vessels pursuant to the provisions of this code shall be conducted by the department or by any agent authorized by the department

to conduct such registration.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Documentary Preparation Charge

9858.1. Any documentary preparation charge by an authorized agent of the department shall not exceed twenty dollars (\$20).

Added Ch. 1407, Stats. 1984 Effective January 1, 1985.

Use Tax Collection by Agent

9858.5. Any licensed yacht and ship broker acting as an authorized agent of the department may collect use tax on a vessel transfer when applicable, and transmit the use tax and the registration application and applicable fees to the department, or may submit the registration application and applicable fees to the department for collection of any use tax due.

Added Ch. 665, Stats. 1982. Effective January 1, 1983.

Funds Received by Agent

9859. All money received by an agent from the sale of certificates of number or temporary certificates of number and use tax shall be kept separate and apart from any other funds of the agent, and shall at all times belong to the state.

In case of an assignment for the benefit of creditors, receivership, or bankruptcy, the state shall have a preferred claim against the agent, receiver, or trustee for all moneys owing the state for the sale of certificates as provided in this code and any use tax, and shall not be estopped from asserting such claim by reason of the commingling of funds or otherwise.

Amended Ch. 665, Stats. 1982. Effective January 1, 1983.

Renewal of Certificates of Number: Fee for Renewal

9860. (a) Certificates of number shall be renewed before midnight of the expiration date by presentation of the certificate of number last issued for the vessel or by presentation of a potential registration card issued by the department. The fee for renewal shall be ten dollars (\$10) for each two-year period and shall accompany the request for renewal. If the certificate of number and potential registration card are unavailable, a fee as specified in Section 9867 shall not be paid.

(b) This section applies to the renewal of all certificates of number that expire on or after, or are renewed on or after, December 31, 1997.

(c) This section shall become operative on September 1, 1997.

Added Sec. 4, Ch. 971, Stats. 1996. Effective January 1, 1997. Operative January 1, 1998.

Amended Sec. 5, Ch. 257, Stats. 1997. Effective August 11, 1997. Operative September 1, 1997.

Expiration Date of Certificates of Number

9861. (a) All certificates of number expire on December 31 of every odd-numbered year.

(b) This section applies to all certificates of number that expire on or after, or are renewed on or after, December 31, 1997.

Amended Sec. 5, Ch. 971, Stats. 1996. Effective January 1, 1997.

Amended Sec. 6, Ch. 257, Stats. 1997. Effective August 11, 1997.

Penalties for Delinquency

9862. (a) If the initial application for a number is not received by the department on or before the date set by the department, a penalty of one-half the fee shall be assessed. If a certificate of number is not renewed on or before midnight of the expiration date, a penalty of one-half the fee shall be assessed.

(b) If any person has received as a transferee of a vessel a properly endorsed certificate of ownership and certificate of number describing that vessel and the transfer fee has not been paid as required by this code within

30 days, a penalty of one-half of the transfer fee specified in Section 9855 shall be assessed.

Amended Ch. 1352, Stats. 1990. Effective September 27, 1990.

Computation of Fees

9862.5. In computing any penalty imposed under this chapter, a fraction of a dollar shall be disregarded unless it equals or exceeds fifty cents (\$0.50), in which case it shall be treated as one dollar (\$1).

Amended Sec. 12, Ch. 825, Stats. 2001. Effective January 1, 2002.

Harbors and Watercraft Fund

9863. All fees received, except moneys collected under Section 9875, pursuant to this chapter shall be deposited in the Harbors and Watercraft Revolving Fund and, notwithstanding Section 13340 of the Government Code, are continuously appropriated, without regard to fiscal years, for the administration of this chapter by the department. Any funds in the Harbors and Watercraft Revolving Fund derived pursuant to this chapter in excess of the amount determined by the Director of Finance, from time to time, to be necessary for expenditure for the administration of this chapter, notwithstanding Section 13340 of the Government Code, are continuously appropriated to the Department of Boating and Waterways, without regard to fiscal years, for expenditure in accordance with Section 663.7 of the Harbors and Navigation Code.

Amended Sec. 6, Ch. 971, Stats. 1996. Effective January 1, 1997.

Amended Sec. 7, Ch. 475, Stats. 1998. Effective January 1, 1999.

Wrecked, Dismantled, Destroyed, or Abandoned Undocumented Vessels

9864. The owner shall furnish the department notice of the wrecking or dismantling, or the destruction or abandonment of an undocumented vessel within 15 days thereof. The wrecking, dismantling, destruction or abandonment shall terminate the certificate of ownership and certificate of number of such undocumented vessel which if in existence shall be surrendered to the department.

The department, upon receiving notice of the abandonment of an undocumented vessel, or upon an official determination that an undocumented vessel has been abandoned, may order the destruction of such vessel at the expiration of 30 days if an investigation by the department has disclosed that no owner, legal owner, or lienholder claims an interest in the vessel, or if those persons have waived their interest. Nothing in this section shall be construed to deny the legal rights, otherwise provided for by law, of any person claiming an interest in an abandoned vessel if that person notifies the department within the time specified therefor.

Amended Ch. 298, Stats. 1987. Effective January 1, 1988.

Change of Address

9865. Any holder of a certificate of number shall notify the department within 15 days, if his address no longer conforms to the address appearing on the certificate and shall, as part of such notification, furnish the department with his new address. The department may provide for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.

Amended Ch. 759, Stats. 1973. Effective January 1, 1974.

Display of Other Numbers on Bow

9866. No number other than the number issued to an undocumented vessel or granted reciprocity pursuant to this chapter shall be painted,

attached, or otherwise displayed on either side of the bow of such undocumented vessel.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Fee: Duplicate Certificates or Stickers

9867. A fee of fifteen dollars (\$15) shall be charged for a duplicate of certificate of number, certificate of ownership, or current year registration stickers.

Amended Ch. 951, Stats. 1990. Effective January 1, 1991. Operative July 1, 1991.

Fee: Unavailable Vessel Certificate of Ownership or Certificate of Number

9867.5. Upon application for transfer of registration pursuant to Section 9917, a fee as specified in Section 9867 shall be paid to the department in addition to the regular transfer fee.

Added Ch. 497, Stats. 1978. Effective January 1, 1979.

Refunds

9868. Fees received pursuant to this chapter are appropriated for payment of refunds of money received or collected in the payment of fees, permits, or services whenever the fee, permit or service cannot lawfully be issued or rendered to the applicant, and in cases where the payment in whole or in part represents overpayment or payment in duplicate.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Information to Be Transmitted County Assessor

9869. The department shall transmit information from each initial application and each transfer application or renewal application to the county assessor in the county of residence of the owner of the vessel and to the county assessor in the county in which the vessel is principally kept if other than the county of residence of the owner, if such other county is known to the department. If an application shows that the owner of the vessel has changed his residence from one county to another county or shows that there has been a change in the county in which the vessel is principally kept, the department shall transmit information of the change to the assessor of the county in which the owner of the vessel formerly resided or to the assessor of the county in which the vessel formerly was principally kept. After the department receives a notice pursuant to Section 9864, the department shall transmit information of the destruction or abandonment to the assessor of the county in which the owner of the vessel resides and to the assessor of the county in which the vessel is or was principally kept, if other than the county of residence of the owner, if such other county was known to the department.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Nonprofit Public Benefit Corporation Exemption

9870. A nonprofit public benefit corporation governed by the Nonprofit Public Benefit Corporation Law (Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code), which purposes relate to promoting the ability of boys and girls to do things for themselves, to train them in scoutcraft and camping, and to teach them patriotism, courage, self-reliance and kindred virtues, shall not be required to pay the fees provided for in Sections 9853, 9855, and 9860.

Amended Ch. 411, Stats. 1984. Effective January 1, 1985.

Assignment and Marking of Hull Identification Number

9871. Upon application for original registration or transfer of registration of an undocumented vessel, the department may assign an appropriate hull identification number to such vessel whenever there is no

hull identification number thereon, or when a hull identification number thereon has been destroyed or obliterated; and such hull identification number shall be permanently marked in an integral part of the hull which is accessible for inspection.

Amended Ch. 617, Stats. 1980. Effective January 1, 1981.

Registration Renewal: Hull Identification Number

9871.5. Upon application for renewal of registration of an undocumented vessel, the applicant is required to furnish the hull identification number if the records of the department do not contain such number. If the vessel does not have a hull number, the department may assign an appropriate hull identification number.

Added Ch. 617, Stats. 1980. Effective January 1, 1981.

Defacing, Destroying or Altering Hull Identification Number

9872. No person shall intentionally deface, destroy, or alter the hull identification number of a vessel required to be numbered under this chapter without written authorization from the department; nor shall any person place or stamp any serial or other number or mark upon an undocumented vessel which might interfere with identification of the hull identification number. This does not prohibit the restoration by an owner of an original number or mark when the restoration is authorized by the department, nor prevent any manufacturer from placing, in the ordinary course of business, numbers or marks upon new vessels or new parts thereof.

Amended Ch. 617, Stats. 1980. Effective January 1, 1981.

Hull Identification Number: Violations

9872.1. (a) No person shall knowingly buy, sell, offer for sale, receive, or have in his or her possession any vessel, or component part thereof, from which the hull identification number has been removed, defaced, altered, or destroyed, unless the vessel or component part has attached thereto a hull identification number assigned or approved by the department in lieu of the manufacturer's number.

(b) Whenever a vessel, or component part thereof, from which the hull identification number has been removed, defaced, altered, or destroyed, and which does not have attached thereto an assigned or approved number as described in subdivision (a), comes into the custody of a peace officer, the seized vessel or component part is subject, in accordance with the procedures specified in this section, to impoundment and to such disposition as may be provided by order of a court having jurisdiction. This subdivision does not apply with respect to a seized vessel or component part used as evidence in any criminal action or proceeding.

(c) Whenever a vessel or component part described in subdivision (a) comes into the custody of a peace officer, any person from whom the property was seized, and all claimants to the property whose interest or title is on registration records in the department, shall be notified within five days, excluding Saturdays, Sundays, and holidays, after the seizure, of the date, time, and place of the hearing required in subdivision (e). The notice shall contain the information specified in subdivision (d).

(d) Whenever a peace officer seizes a vessel or component part as provided in subdivision (b), any person from whom the property was seized shall be provided a notice of impoundment of the vessel or component part which shall serve as a receipt and contain the following information:

(1) Name and address of person from whom the property was seized.

(2) A statement that the vessel or component part seized has been impounded for investigation of a violation of this section and that the

property will be released upon a determination that the hull identification number has not been removed, defaced, altered, or destroyed, or upon the presentation of satisfactory evidence of ownership of the vessel or component part, provided that no other person claims an interest in the property; otherwise, a hearing regarding the disposition of the vessel or component part shall take place in the proper court.

(3) A statement that any person from whom the property was seized, and all claimants to the property whose interest or title is on registration records in the department, will receive written notification of the date, time, and place of the hearing within five days, excluding Saturdays, Sundays, and holidays, after the seizure.

(4) Name and address of the law enforcement agency where evidence of ownership of the vessel or component part may be presented.

(5) A statement of the contents of this section.

(e) A hearing on the disposition of the property shall be held by the () superior court within 60 days after the seizure. The hearing shall be before the court without a jury. A proceeding under this section is a limited civil case.

(1) If the evidence reveals either that the hull identification number has not been removed, altered, or destroyed or that the hull identification number has been removed, altered, or destroyed but satisfactory evidence of ownership has been presented to the seizing agency or court, the property shall be released to the person entitled thereto.

(2) If the evidence reveals that the hull identification number has been removed, altered, or destroyed, and satisfactory evidence of ownership has not been presented, the property shall be destroyed, sold, or otherwise disposed of as provided by court order.

(3) At the hearing, the seizing agency shall have the burden of establishing that the hull identification number has been removed, defaced, altered, or destroyed and that no satisfactory evidence of ownership has been presented.

(f) Nothing in this section precludes the return of a seized vessel or component part to the owner by the seizing agency following presentation of satisfactory evidence of ownership and, if determined necessary, upon the assignment of an identification number to the vessel or component part by the department.

Amended Sec. 454, Ch. 931, Stats. 1998. Effective September 28, 1998.

Amended Sec. 595, Ch. 784, Stats. 2002. Effective January 1, 2003.

The 2002 amendment at the point(s) indicated, deleted the following “municipal court, or by the in a county in which there is no municipal court,”

Amphibious Vehicle

9872.5. No certificate of ownership shall be issued under this chapter for any “amphibious vehicle” for which a certificate of ownership may be issued by the department under other provisions of this code.

For the purposes of this section, an “amphibious vehicle” is a device by which any person or property may be propelled, moved, or drawn, both upon water and upon a highway on land.

Amended Ch. 1439, Stats. 1970. Effective November 23, 1970.

Undocumented Vessels Not Required to Be Numbered

9873. An undocumented vessel shall not be required to be numbered under this chapter if it is:

(a) Already covered by a number in full force and effect which has been issued to it pursuant to federal law or a federally approved numbering system of another state; provided, that such undocumented vessel shall be subject to the numbering requirements of this chapter if it has changed its

state of principal use and has been within this state for a period in excess of 90 consecutive days.

(b) A vessel from a country other than the United States temporarily using the waters of this state.

(c) A public vessel of the United States, another state or subdivision thereof or municipality of such other state.

(d) A ship's lifeboat.

(e) Any vessel belonging to a class of boats which has been exempted from numbering by the department after the department has found that the numbering of vessels of such class will not materially aid in their identification; and, if any agency of the federal government has a numbering system applicable to the class of vessels to which the vessel in question belongs, after the department has further found that the vessel would also be exempt from numbering if it were subject to the federal law. An undocumented vessel propelled solely by oars or paddles and an undocumented vessel eight feet or less propelled solely by sail are exempt from the provisions of this chapter.

Amended Ch. 759, Stats. 1973. Effective January 1, 1974.

Suspension, Cancellation, Revocation

9874. The department may suspend, cancel, or revoke the registration of a vessel, a certificate of number, sticker, certificate of ownership, or temporary certificate of number in any of the following cases:

(a) When the department is satisfied that the registration or the certificate of number, sticker, certificate of ownership, or temporary certificate of number was fraudulently obtained or erroneously issued.

(b) When the department determines that the required fee has not been paid and the same is not paid upon reasonable notice and demand.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Penalties

9875. Except as provided in Section 40000.8, any person who violates any provision of this chapter or any rule or regulation of the department adopted pursuant to this chapter is guilty of an infraction, punishable under Section 42001.

Amended Ch. 922, Stats. 1991. Effective January 1, 1992.

Notice of Delinquent Taxes

9880. (a) The department shall not renew the certificate of number of, or allow a transfer of any title to or interest in, a vessel if the county tax collector has notified the department pursuant to Section 3205 of the Revenue and Taxation Code, that taxes are delinquent upon the vessel, and the department shall not subsequently issue a certificate of number for, or a new certificate of ownership reflecting a transfer of title to or interest in, that vessel until the department receives a certificate of clearance from the county tax collector that the delinquent taxes have been paid on that vessel or until the county tax collector has provided notice to the department that the delinquency has been satisfied.

(b) The department shall record the notice of delinquent taxes on the vessel. If the department is notified by the county tax collector that the delinquency has been satisfied, the department shall, if all other requirements are satisfied, issue a certificate of number for, or a new certificate of ownership reflecting a transfer of title to or interest in, the vessel. The department shall assess a fee upon each county tax collector in an amount that is sufficient to reimburse the department for its actual costs of administering this section.

(c) Whenever a vessel subject to this section is transferred, or not renewed for two renewal periods, the department shall notify the county tax collector of that fact.

Amended Ch. 940, Stats. 1994. Effective January 1, 1995. Operative July 1, 1995.
Amended Sec. 13, Ch. 546, Stats. 1997. Effective January 1, 1998.

CHAPTER 3. TRANSFER OF TITLE OR INTEREST IN UNDOCUMENTED VESSEL

(Added Ch. 1428, Stats. 1970. Effective November 23, 1970.)

Requirements for Transfer

9900. No transfer of the title or any interest in or to an undocumented vessel numbered under this code shall pass, and any attempted transfer shall not be effective, until the parties thereto have paid any delinquent property taxes with respect to that vessel and fulfilled either of the following requirements:

(a) The transferor has made proper endorsement and delivery of the certificate of ownership to the transferee as provided in this code and the transferee has delivered to the department or has placed the certificates in the United States mail addressed to the department when and as required under this code with the proper transfer fee and thereby makes application for a new certificate of ownership and a new certificate of number.

(b) The transferor has delivered to the department or has placed in the United States mail addressed to the department the appropriate documents for the transfer of ownership of the vessel pursuant to the sale or transfer except as otherwise provided.

Amended Ch. 940, Stats. 1994. Effective January 1, 1995. Operative July 1, 1995.

Application by Transferee for Certificates of Ownership and Numbering: Fee

9901. Whenever any person has received as transferee a properly endorsed certificate of ownership, he or she shall, within 10 days thereafter, forward the certificates with the transfer fee specified in Section 9855 to the department, and thereby make application for a certificate of ownership and certificate of number.

Amended Sec. 7, Ch. 766, Stats. 1995. Effective January 1, 1996.

Issuance of New Certificates of Ownership and Number

9902. The department, upon receipt of a properly endorsed certificate of ownership and a new application form and the required fee, shall issue a new certificate of ownership and a new certificate of number in the same manner as provided for in the initial issuance of number and the number may be reassigned to the new owner, provided, however, in the case of a transfer of a part interest which does not affect the owner's right to operate such undocumented vessel the transfer shall not terminate the certificate of number.

Amended Ch. 1268, Stats. 1988. Effective January 1, 1989.

Statement by Transferee or Transferor: Information to Be Transmitted to State Board of Equalization

9903. (a) Prior to the issuance of any certificate of ownership the department shall obtain a statement in writing, signed by the transferee or transferor, showing:

- (1) The date of the sale or other transfer of ownership of the vessel.
- (2) The name and address of the seller or transferor.
- (3) The name and address of the buyer or transferee.
- (4) The total consideration (valued in money) given for the sale or other

transfer of the vessel, including any motor or other component part of the vessel included in the sale or other transfer.

(b) Upon the transfer of ownership of a vessel the department shall forward to the State Board of Equalization information from its records identifying the vessel together with the data required by subdivision (a). The information shall be transmitted as promptly as feasible and in such form and manner as shall be agreed between the department and the board.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Requirements for Releasing Liability

9905. An owner who has made a bona fide sale or transfer of an undocumented vessel and has delivered possession of the vessel to a purchaser shall not by reason of any of the provisions of this code or the Harbors and Navigation Code be deemed the owner of the vessel so as to be subject to civil liability for the operation of the vessel thereafter by another when the owner, in addition to the foregoing, has fulfilled either of the following requirements:

(a) Made proper endorsement and delivery of the certificate of ownership as provided in this code.

(b) Delivered to the department or placed in the United States mail, addressed to the department, either the notice as provided in Sections 9911 and 9912 or appropriate documents for transfer of the vessel pursuant to the sale or transfer.

Amended Ch. 13, Stats. 1991. Effective February 13, 1991.

Transfer by Legal Owner

9906. A legal owner may assign his title or interest in or to an undocumented vessel numbered under this code to a person other than the owner without the consent of and without affecting the interest of the owner.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Endorsement of Certificate of Ownership Upon Transfer by Legal Owner

9907. Upon transfer of the title or any interest of the legal owner or legal owners in an undocumented vessel numbered under this code, the transferor shall write his signature, and the transferee shall write his signature and address, in the appropriate spaces provided upon the reverse side of the certificate of ownership issued for the vessel.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Transfer by Registered Owner

9908. Upon transfer of the title or interest or any part thereof of the registered owner only in an undocumented vessel numbered under this code, the registered owner shall write his signature and address and the transferee shall write his signature and address in the appropriate spaces provided on the reverse side of the certificate of ownership for the vessel, and the legal owner shall write his signature in the space provided for the new legal owner indicating that he is to retain his legal title and interest.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Endorsement When Certificate of Ownership Unavailable

9909. When the required certificate of ownership is lost, stolen, damaged, or mutilated, application for transfer may be made upon a form provided by the department for a duplicate certificate of ownership. The transferor shall write his signature and address in the appropriate spaces provided upon the application and file the same together with the proper fees for duplicate certificate of ownership and transfer.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Delivery of Certificates

9910. It is unlawful for any person to fail or neglect to deliver the certificate of number and, when having possession, to properly endorse, date, and deliver the certificate of ownership to a transferee who is lawfully entitled to a transfer of ownership.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Notice by Owner of Sale or Transfer

9911. Whenever the owner of an undocumented vessel numbered under this code sells or transfers his or her title or interest in, or any part thereof, and delivers the possession of, the vessel to another, the owner shall, within five calendar days, notify the department of the sale or transfer by giving the date thereof, the name and address of the owner and of the transferee and a description of the vessel as may be required in the appropriate form provided for the purpose by the department.

Amended Ch. 427, Stats. 1992. Effective January 1, 1993.

Notice by Dealers

9912. Every dealer upon transferring by sale, lease or otherwise any undocumented vessel, whether new or used, required to be numbered under this code, shall, not later than the end of the next business day of the dealer, give written notice of the transfer to the department upon an appropriate form provided by it, but a dealer need not give the notice when selling or transferring a new unnumbered vessel to another dealer.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

New Security Interest Executed by Parties to Prior Security Agreement

9913. When a security interest upon a numbered vessel is satisfied, cancelled, or released by the parties thereto who are the registered owner and legal owner respectively of said vessel and thereafter within a period of 10 days a new security interest covering the vessel is executed between the same parties, no application for transfer of ownership by reason thereof shall be made, no new certificate of ownership or certificate of number shall be issued, and all provisions of this code relating to transfers of any title or interest in a vessel shall be deemed to have been fully complied with.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Pledge of Security Agreement by Legal Owner

9914. The transferee of a security interest in the interest of a legal owner of a numbered vessel need not make application for a transfer of ownership when the security interest arises from a pledge of security agreement by the legal owner to the pledgee.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Involuntary Transfers

9915. (a) Whenever the title or interest of any owner or legal owner in or to a vessel numbered under this code passes to another otherwise than by a voluntary transfer, the new owner or legal owner may obtain a transfer of ownership upon application therefor and upon presentation of the last certificate of ownership and certificate of number issued for the vessel, if available, and any instruments or documents of authority or certified copies thereof as may be required by the department, or required by law, to evidence or effect a transfer of title or interest in or to chattels in such case.

(b) The department when satisfied of the genuineness and regularity of the transfer shall give notice by mail to the owner and legal owner of the vessel as shown by the records of the department, and five days after the giving of the notice, if still satisfied of the genuineness and regularity of such

transfer, shall transfer the ownership of the vessel accordingly and issue a new certificate of ownership and certificate of number to the person or persons entitled thereto. Such notice shall not be required for an involuntary transfer when repossession involves a secured party.

Amended Ch. 918, Stats. 1975. Effective January 1, 1976.

Transfer Without Probate

9916. (a) If 40 days have elapsed since the death of an owner or legal owner of any vessel numbered under this division without the decedent leaving other property necessitating probate, and irrespective of the value of the vessel, the following person may secure a transfer of ownership of the title or interest of the decedent:

(1) The sole person or all of the persons who succeeded to the property of the decedent under Sections 6401 and 6402 of the Probate Code unless the vessel is, by will, otherwise bequeathed.

(2) The sole beneficiary or all of the beneficiaries who succeeded to the vessel under the will of the decedent where the vessel is, by will, so bequeathed.

(b) The person authorized by subdivision (a) may secure a transfer of ownership of the title or interest of the decedent upon presenting to the department all of the following:

(1) The appropriate certificate of ownership and certificate of number, if available.

(2) A certificate of the heir or beneficiary under penalty of perjury containing the following statements:

(A) The date and place of the decedent's death.

(B) The decedent left no other property necessitating probate and no probate proceeding is now being or has been conducted in this state for the decedent's estate.

(C) The declarant is entitled to the vessel either (i) as the sole person or all of the persons who succeeded to the property of the decedent under Sections 6401 and 6402 of the Probate Code if the decedent left no will or (ii) as the beneficiary or beneficiaries under the decedent's last will if the decedent left a will, and no one has a right to the decedent's vessel that is superior to that of the declarant.

(D) There are no unsecured creditors of the decedent or, if there are, the unsecured creditors of the decedent have been paid in full or their claims have been otherwise discharged.

(3) If required by the department, a certificate of the death of the decedent.

(4) If required by the department, the names and addresses of any other heirs or beneficiaries.

(c) If the department is presented with the documents specified in paragraphs (1) and (2) of subdivision (b), no liability shall be incurred by the department or any officer or employee of the department by reason of the transfer of registration of the vessel pursuant to this section. The department or officer or employee of the department may rely in good faith on the statements in the certificate specified in paragraph (2) of subdivision (b) and has no duty to inquire into the truth of any statement in the certificate. The person who secures the transfer of the vessel pursuant to this section is subject to the provisions of Section 13109 to 13113, inclusive, of the Probate Code to the same extent as a person to whom transfer of property is made under Chapter 3 (commencing with Section 13100) of Part 1 of Division 8 of the Probate Code.

Amended Ch. 783, Stats. 1986. Effective July 1, 1987.

Vessels Owned in Beneficiary Form

9916.5. (a) On death of the owner of a vessel numbered under this division and owned in beneficiary form, the vessel belongs to the surviving beneficiary, if any. If there is no surviving beneficiary, the vessel belongs to the estate of the deceased owner.

(b) A certificate of ownership in beneficiary form may be revoked or the beneficiary changed at any time before the death of the owner by either of the following methods:

(1) By sale of the vessel with property assignment and delivery of the certificate of ownership to another person.

(2) By application for a new certificate of ownership without designation of a beneficiary or with the designation of a different beneficiary.

(c) Except as provided in subdivision (b), designation of a beneficiary in a certificate of ownership issued in beneficiary form may not be changed or revoked by will, by any other instrument, by a change of circumstances, or otherwise.

(d) The beneficiary's interest in the vessel at death of the owner is subject to any contract of sale, assignment, or security interest to which the owner was subject during his or her lifetime.

(e) The surviving beneficiary may secure a transfer of ownership for the vessel upon presenting to the department all of the following:

(1) The appropriate certificate of ownership.

(2) A certificate under penalty of perjury stating the date and place of the owner's death and that the declarant is entitled to the vessel as the designated beneficiary.

(3) If required by the department, a certificate of the death of the owner.

(f) After the death of the owner, the surviving beneficiary may transfer his or her interest in the vessel to another person without securing transfer of ownership into his or her own name by appropriately signing the certificate of ownership for the vessel and delivering the document to the transferee for forwarding to the department with appropriate fees. The transferee may secure a transfer of ownership upon presenting to the department (1) the certificate of title signed by the beneficiary, (2) the certificate described in paragraph (2) of subdivision (e) executed by the beneficiary under penalty of perjury, and (3) if required by the department, a certificate of death of the owner.

(g) A transfer at death pursuant to this section is effective by reason of this section, and shall not be deemed to be a testamentary disposition of property. The right of the designated beneficiary to the vessel shall not be denied, abridged, or affected on the grounds that the right has not been created by a writing executed in accordance with the laws of this state prescribing the requirements to effect a valid testamentary disposition of property.

(h) A transfer at death pursuant to this section is subject to Section 9653 of the Probate Code.

(i) If there is no surviving beneficiary, the person or persons described in Section 9916 may secure transfer of the vessel as provided in that section.

(j) The department may prescribe forms for use pursuant to this section.

Added Ch. 1055, Stats. 1991. Effective January 1, 1993.

Liability Discharge upon Transfer

9916.7. (a) If the department makes a transfer pursuant to Section 9916.5, the department is discharged from all liability, whether or not the transfer is consistent with the beneficial ownership of the vessel transferred.

(b) The protection provided by subdivision (a) does not extend to a

transfer made after the department has been served with a court order restraining the transfer. No other notice or information shown to have been available to the department shall affect its right to the protection afforded by subdivision (a).

(c) The protection provided by this section has no bearing on the rights of parties in disputes between themselves or their successors concerning the beneficial ownership of the vessel.

(d) The protection provided by this section is in addition to, and not exclusive of, any other protection provided to the department by any other provision of law.

Added Ch. 1055, Stats. 1991. Effective January 1, 1993.

Transfer When Certificates Unavailable

9917. Whenever application is made to the department for a transfer of ownership of a vessel to a new owner or legal owner and the applicant is unable to present the certificate of ownership issued for the vessel by reason of the same being lost or otherwise not available, the department may receive the application and examine into the circumstances of the case and may require the filing of affidavits or other information, and when the department is satisfied that the applicant is entitled to a transfer of ownership, the department may transfer the ownership of the vessel, and issue a new certificate of ownership, and certificate of number to the person or persons found to be entitled thereto.

Amended Ch. 1268, Stats. 1988. Effective January 1, 1989.

Transfer Under Regular Application

9918. If the application for a transfer is made in the manner provided in this code, the department shall not be required to withhold the transfer of any right, title or interest in or to a vessel if the application on its face appears to be genuine and regular and the department has received neither a request from any law enforcement agency that action on the application be deferred nor an order of a court of the United States or of the State of California restraining the transfer within two years prior thereto.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Recording of Security Interest

9919. No security interest in any vessel numbered under this code, irrespective of whether such number was effected prior or subsequent to the creation of such security interest, is perfected, until the secured party, or his successor or assignee, has deposited with the department a properly endorsed certificate of ownership to the vessel, subject to the security interest, showing the secured party as legal owner if the vessel is then numbered under this code; or if the vessel is not so numbered, the owner shall file an initial application for number as provided for in this code, and the certificate of ownership issued under said application shall contain the name and address of the legal owner.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Perfection of Security Interest

9920. When the secured party, his successor or assignee, has deposited with the department a properly endorsed certificate of ownership showing the secured party as legal owner, or if the vessel is not numbered when the owner shall file an initial application for number as provided for in this code, and the certificate of ownership issued under said application shows said secured party as the legal owner, and said certificate of ownership is deposited with the department, the deposit constitutes perfection of the security interest.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Secured Party as Legal Owner

9921. Upon the deposit with the department of the certificate of ownership showing the secured party as legal owner as provided in Section 9919 hereof, the department shall on its records show the secured party, his successor or assignee, as legal owner with respect to such vessel.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Method Is Exclusive

9922. The method provided in this chapter for perfecting a security interest in a vessel numbered under this code is exclusive.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Undertaking or Bond

9923. In the absence of the regularly required supporting evidence of ownership upon application for registration or transfer of a vessel, the department may accept an undertaking or bond in the amount of the fair market value of the vessel at the time of the application, as determined by the department, which shall be conditioned to protect the department and all officers and employees thereof and any subsequent purchaser of the vessel, any person acquiring a lien or security interest thereon, or the successor in interest of such purchaser or person, against any loss or damage on account of any defect in or undisclosed claim upon the right, title, and interest of the applicant or other person in and to the vessel.

Added Ch. 1428, Stats. 1970. Effective November 23, 1970.

Return and Surrender of Bond or Undertaking

9924. In the event the vessel is no longer registered in this state and the currently valid certificate of ownership is surrendered to the department or the vessel has been destroyed or lost, the bond or undertaking shall be returned and surrendered after three years.

Amended Ch. 517, Stats. 1982. Effective January 1, 1983.

Withholding Certificate of Number: Collection of Use Tax

9928. The department shall withhold the certificate of number or the transfer of registration of any vessel sold at retail to any applicant by any person other than a person holding a seller's permit pursuant to Section 6066 of the Revenue and Taxation Code, and regularly engaged in the business of selling vessels, until the applicant pays to the department the use tax measured by the sales price of the vessel as required by the Sales and Use Tax Law, together with penalty, if any, unless the State Board of Equalization finds that no use tax is due. If the applicant so desires, he may pay the use tax and penalty, if any, to the department so as to secure immediate action upon his application for registration or transfer of registration and thereafter he may apply through the Department of Motor Vehicles to the State Board of Equalization under the provisions of the Sales and Use Tax Law for a refund of the amount so paid.

(b) The department shall transmit to the State Board of Equalization all collections of the use tax and penalty made under this section. This transmittal shall be made at least monthly, accompanied by a schedule in such form as the department and board may prescribe.

(c) The State Board of Equalization shall reimburse the department for its costs incurred in carrying out the provisions of this section.

(d) In computing any use tax or penalty thereon under the provisions of the section, dollar fractions shall be disregarded in the manner specified in Section 9559. Payment of tax and penalty on this basis shall be deemed full compliance with the requirements of the Sales and Use Tax Law insofar as they are applicable to the use of vessels to which this section relates.

(e) The department and the State Board of Equalization shall enter into an agreement for the collection of the use tax pursuant to this section and Section 6294 of the Revenue and Taxation Code. The agreement shall specify the procedures agreed upon by the department and the board for collection of the tax and the reimbursement provided for in subdivision (c). The agreement shall be approved by the Department of Finance.

Added Ch. 665, Stats. 1982. Effective January 1, 1983.